BERNALILLO COUNTY

BOARD OF COUNTY COMMISSIONERS

ORDINANCE NO. 2017-4

1 2 3 4 5 6 7 8	THE PREPARATION OF DISCLOSURE CERTIFICATES, DISCLOSURE STATEMENTS, OR RESALE CERTIFICATES AS REQUIRED BY THE NEW MEXICO HOMEOWNER ASSOCIATION ACT AND THE NEW MEXICO CONDOMINIUM ACT ESTABLISHING REASONABLE CHARGES FOR HOMEOWNERS AND CONDOMINIUM ASSOCIATIONS FOR THE PREPARATION OF DISCLOSURE CERTIFICATES, DISCLOSURE STATEMENTS, OR RESALE CERTIFICATES AS REQUIRED BY THE NEW MEXICO HOMEOWNER ASSOCIATION ACT AND THIS MENU MEXICO CONDOMINATION ACT.
9 10	NEW MEXICO CONDOMINIUM ACT.
11	An ordinance creating Bernalillo County Code Chapter 14 Businesses, Article XI intended to
12	establish maximum amounts payable at the time of closing for preparation of a Disclosure
13	Certificate as required by the New Mexico Homeowner Association Act, or for a Disclosure
14	Statement or Resale Certificate as required by the New Mexico Condominium Association Act
15	WHEREAS, the Condominium Act and Homeowners Association Act (the "Acts")
16	establish certain minimum requirements and duties for condominium and homeowner
17	associations in New Mexico; and
18	WHEREAS, pursuant to the Acts, property sellers are required to provide certain
19	information to buyers about the respective association within which the subject property
20	falls, including but not limited to a "disclosure certificate," "disclosure statement," or
21	"resale certificate" that provides records and information relating to rights and interests of
22	the association with respect to the subject property and financial information about the
23	associations and its dues structure; and
24	WHEREAS, pursuant to the Acts, associations must provide these certificates to home
25	sellers, but may impose a "reasonable charge" for preparing and providing the certificate, and
26	WHEREAS, the Act does not define what constitutes a "reasonable charge," and the
27	resulting lack of clarity has created highly divergent charges by different homeowner or

CONTINUATION PAGE 2, <u>ORDINANCE 2017-4</u>. ESTABLISHING REASONABLE CHARGES FOR HOMEOWNERS AND CONDOMINIUM ASSOCIATIONS FOR THE PREPARATION OF DISCLOSURE CERTIFICATES, DISCLOSURE STATEMENTS, OR RESALE CERTIFICATES

- 1 condominium associations for the exact same information, which makes residential
- 2 closing costs unpredictable with charges imposed by associations ranging from less
- 3 than \$100 to over \$1,000; and
- 4 WHEREAS, because time is often of the essence in residential real estate transactions
- 5 to meet lender requirements, buyer needs, or other requirements, without a fixed
- 6 maximum charge, individual home buyers and sellers may have little power to hold
- 7 associations accountable to the requirement that charges be reasonable; and
- 8 WHEREAS, establishment of a fixed and uniform reasonable charge for provision of
- 9 records that should be readily available to the association, and need only be duplicated
- and provided, could help ensure greater equity and predictability for home buyers and
- 11 sellers.
- 12 BE IT ORDAINED BY THE COUNTY COMMISSION, THE GOVERNING BODY OF
- 13 BERNALILLO COUNTY.
- SECTION 1. A new Article XI, titled "HOMEOWNER AND CONDOMINIUM"
- 15 ASSOCIATIONS" is added to Chapter 14 of the Code of Ordinances of Bernalillo County as
- 16 follows:
- 17 Sec. 14-601 Reasonable Charges for Disclosure Certificates, Disclosure Statements, or
- 18 Resale Certificates. Homeowner and Condominium Associations may impose a
- reasonable charge not to exceed \$200 payable per request at the time of closing for preparation
- of a Disclosure Certificate as required by the New Mexico Homeowner Association Act, or for a
- 21 Disclosure Statement or Resale Certificate as required by the New Mexico Condominium
- 22 Association Act.
- 23 Sec. 14-602. Severability Clause. If any section, paragraph, sentence, clause word or phrase of
- this ordinance is for any reason held to be invalid or unenforceable by any court of competent

CONTINUATION PAGE 3, <u>ORDINANCE 2017-4</u>. ESTABLISHING REASONABLE CHARGES FOR HOMEOWNERS AND CONDOMINIUM ASSOCIATIONS FOR THE PREPARATION OF DISCLOSURE CERTIFICATES, DISCLOSURE STATEMENTS, OR RESALE CERTIFICATES

- jurisdiction, such decision shall not affect the validity of the remaining provisions of this
- 2 ordinance. The County Commission hereby declares that it would have passed this ordinance and
- 3 each section, paragraph, sentence, clause, word or phrase thereof irrespective of any provisions
- 4 being declared unconstitutional or otherwise invalid.

8 9 10

- 5 Sec. 14-603. Violations of this section are punishable as provided in section 1-6.
- 6 EFFECTIVE DATE. This ordinance shall take effect in 30 days.
- 7 BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF
 - BERNALILLO COUNTY, NEW MEXICO this 28th day of March, 2017.

BOARD OF COUNTY COMMISSIONERS APPROVED AS TO FORM 11 12 Debbie O'Malley, Chair 13 14 15 Steven Michael Ouezada, Vice Chair 16 17 Maggie Wart Stebbins, Member 18 ATTEST: 19 Longie C. Talbert, Member 20 21 Linda Stover, County Clerk A. Johnson, Member 22 23